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OFFICE OF PETITIONS

Commissioner for Patents  
United States Patent and Trademark Office  
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Alexandria, VA 22313-1450  
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Lyle Clemenson  
100 N. 74<sup>th</sup> Way  
Brooklyn Park, MN 55444

In re Patent No. 5,623,978 :  
Issued: April 29, 1997 :  
Application No. 08/688,692 :  
Filed: July 29, 1996 :  
For: STUMP CUTTING DOUBLE CLAW :  
TOOTH STRUCTURE :

DECISION ON PETITION

This is in response to the petition under 37 CFR 1.378(b), filed July 16, 2012, to accept the unavoidably delayed payment of the maintenance fee for the above-identified patent.<sup>1</sup>

The patent issued April 29, 1997. The second maintenance fee could have been paid during the period from April 29, 2004 through October 29, 2004, or with a surcharge during the period from October 30, 2004 through April 29, 2005. Accordingly, this patent expired on April 30, 2005, for failure to timely remit the second maintenance fee.

In the present petition, petitioner asserts:

The delay of maintenance fee payments resulted from:

A. Being an owner of a small company we met some unplanned costs associated with bringing product to market and was forced to make loans that were not planned.

B. After having had our company doing business at this location for 30 years the Minnesota Highway Department came and Eminent Domained us out of our location. Even though we some of our costs were reimbursed---we were not able to do marketing of our products for months and top of that it took a great deal of energy and there were other costs to the company---we lost paperwork, records, time, employees, & profits not being reimbursed. Had we been left at our location we

<sup>1</sup> The Office notes that the patent expired for patentee's failure to pay both the second and third maintenance fees.

believe we would have had our paperwork in order and the maintenance fees taken care of.

C. We failed to know/remember that USPTO did not send maintenance fee reminders.

In summation, had we not had the above things take place we would have been more attentive to maintaining our paperwork and the necessary fees would have been paid.

*Petition, 07/16/12, p. 4.*

A grantable petition under 37 CFR 1.378(b) to accept late payment of a maintenance fee must include:

- (1) the required maintenance fee set forth in § 1.20(e) through (g);
- (2) the surcharge set forth in § 1.20(i)(1); and
- (3) a showing that the delay was unavoidable since reasonable care was taken to ensure that the maintenance fee would be paid timely and that the petition was filed promptly after the patentee was notified of, or otherwise became aware of, the expiration of the patent.

The required showing must enumerate the steps taken to ensure timely payment of the maintenance fee, the date and the manner in which patentee became aware of the expiration of the patent, and the steps taken to file the petition promptly. Furthermore, an adequate showing requires a statement by all persons with direct knowledge of the cause of the delay, setting forth the facts as they know them. Copies of all documentary evidence referred to in a statement should be furnished as exhibits to the statement.

This petition lacks requirement (3).

As 35 U.S.C. 41(c) requires the payment of fees at specified intervals to maintain a patent in force, rather than some response to a specific action by the Office under 35 U.S.C. 133, a reasonably prudent person in the exercise of due care and diligence would have taken steps to ensure the timely payment of such maintenance fees. Ray v. Lehman, 55 F.3d 606, 609, 34 USPQ2d 1786, 1788 (Fed. Cir. 1995). That is, an adequate showing that the delay in payment of the maintenance fee at issue was “unavoidable” within the meaning of 35 U.S.C. 41(c) and 37 CFR 1.378(b)(3) requires a showing of the steps taken to ensure the timely payment of the maintenance fees for this patent. Id. Thus, where the record fails to disclose that the patentee took reasonable steps, or discloses that the patentee took no steps, to ensure timely payment of the maintenance fee, 35 U.S.C. 41(c) and 37 CFR 1.378(b)(3) preclude acceptance of the delayed payment of the maintenance fee under 37 CFR 1.378(b).

Acceptance of a late maintenance fee under the unavoidable delay standard is considered under the same standard for reviving an abandoned application under 35 U.S.C. 133. This is a very stringent standard. Decisions on reviving abandoned applications on the basis of “unavoidable” delay have adopted the reasonably prudent person standard in determining if the delay was unavoidable:

The word ‘unavoidable’ . . . is applicable to ordinary human affairs, and requires no more or greater care or diligence than is generally used and observed by prudent and careful men in relation to their most important business. It permits them in the exercise of this care to rely upon the ordinary and trustworthy agencies of mail and telegraph, worthy and reliable employees, and such other means and instrumentalities as are usually employed in such important business. If unexpectedly, or through the unforeseen fault or imperfection of these agencies and instrumentalities, there occurs a failure, it may properly be said to be unavoidable, all other conditions of promptness in its rectification being present.

In re Mattullath, 38 App. D.C. 497, 514-15 (1912) (quoting Pratt, 1887 Dec. Comm'r Pat. 31, 32-33 (1887)); see also Winkler v. Ladd, 221 F. Supp. 550, 552, 138 USPQ 666, 667-68 (D.D.C. 1963), aff'd, 143 USPQ 172 (D.C. Cir. 1963); Ex parte Henrich, 1913 Dec. Comm'r Pat. 139, 141 (1913). In addition, decisions on revival are made on a “case-by-case basis, taking all the facts and circumstances into account.” Smith v. Mossinghoff, 671 F.2d 533, 538, 213 USPQ 977, 982 (D.C. Cir. 1982). A petition cannot be granted where a petitioner has failed to meet his or her burden of establishing that the delay was “unavoidable.” Haines v. Quigg, 673 F. Supp. 314, 316-17, 5 USPQ2d 1130, 1131-32 (N.D. Ind. 1987). Moreover, patentee’s lack of knowledge of the need to pay the maintenance fee and the failure to receive the Maintenance Fee Reminder do not constitute unavoidable delay. See Patent No. 4,409,763, 7 USPQ2d 1798 (Comm’r Pat. 1988).

In determining whether the delay in paying a maintenance fee was unavoidable, one looks to whether the party responsible for payment of the maintenance fee exercised the due care of a reasonably prudent person. Ray v. Lehman, 55 F.3d 606, 608-609, 34 USPQ2d 1786, 1787 (Fed. Cir. 1995). The patent owner at the time of the expiration of the patent is ultimately the person responsible to ensure the timely payment of the maintenance fees. The patent owner may engage another to track and/or pay the maintenance fees; however, merely engaging another does not relieve the patent owner from his obligation to take appropriate steps to ensure the timely payment of such maintenance fees. See California Medical Prods. v. Tecnol. Medical Prods., 921 F. Supp. 1219 (D. Del. 1995).

It is important to note, as a threshold matter, an adequate showing of unavoidable delay in payment of the maintenance fee requires a demonstration of the steps that were taken to ensure the timely payment of the maintenance fees for this patent. In the absence of a showing that petitioner was (1) aware of need to pay the second maintenance fee and (2) he took reasonable steps to ensure timely payment, 37 CFR 1.378(b) precludes acceptance of the payment. In other words, if petitioner was unaware of the need to pay the maintenance fees and/or failed to take

reasonable steps to track the maintenance fee due dates and ensure timely payment, then any concurrent and subsequent hardships endured by petitioner would be immaterial to the delay. The showing must be that when petitioner's system indicated the maintenance fee fell due, he was "unavoidably" prevented from taking any earlier action with respect to this patent. Thus, petitioner must first establish that he was aware of the need to pay the second maintenance fee and that he took reasonable steps to ensure timely payment of the maintenance fee.

After a thorough review of the arguments presented on petition, the Office concludes that petitioner has not provided sufficient documentary evidence that he had a reliable system in place to ensure the timely payment of the maintenance fee for this patent. That is, there is no adequate showing that petitioner took reasonable steps with respect to timely scheduling and paying the maintenance fee. Even if petitioner did employ a system to track the due dates for the timely payment of the maintenance fees, based on the facts presented, it does not appear that it was reasonably reliable to alert petitioner of due dates for payment of the maintenance fees. Without documentary evidence that petitioner undertook calendaring or tracking of the maintenance fee due dates, petitioners cannot support a showing of unavoidable delay. It appears that petitioner relied on the USPTO to notify him of the maintenance fee due dates and that he had no other system in place for tracking the maintenance fee due dates.

The Office reminds petitioner that under the statutes and regulations, the USPTO has no duty to notify a patent owner of the requirement to pay maintenance fees or to notify the patentee when the maintenance fee is due. MPEP 2540. Rather, it is solely the responsibility of the patentee to ensure that the maintenance fee is paid timely to prevent expiration of the patent. The failure to receive the reminder notice will not shift the burden of monitoring the time for paying a maintenance fee from the patentee to the USPTO. Id. Although the USPTO will attempt to assist a patentee through the mailing of a Maintenance Fee Reminder in the grace period, the failure to receive a Maintenance Fee Reminder will not relieve the patentee of the obligation to timely pay the appropriate maintenance fee to prevent expiration of the patent, nor will it constitute unavoidable delay if the patentee seeks to reinstate the patent under 37 CFR 1.378(b). See In re Patent No. 4,409,763, 7 USPQ2d 1798 (Comm'r Pat. 1988), aff'd sub nom. Rydeen v. Quigg, 748 F. Supp. 900, 16 USPQ2d 1876 (D.D.C. 1990), aff'd, 937 F.2d 623 (Fed. Cir. 1991) (table), cert. denied, 502 U.S. 1075 (1992). Moreover, a patentee, who is required by 35 U.S.C. 41(c)(1) to pay the second maintenance fee within 7 years and six months of the patent grant, or face expiration of the patent, is not entitled to any notice beyond that provided by publication of the statute. Rydeen, 748 F. Supp. at 906. The Office notes that the Letters Patent contain a Maintenance Fee Notice that warns that the patent may be subject to maintenance fees if the application was filed on or after December 12, 1980. While it is unclear from the record whether petitioner possessed a copy of the issued patent, petitioner's failure to read the Notice does not negate the Notice, nor does the delay resulting from such failure to read the Notice establish unavoidable delay. See Ray v. Lehman, 55 F. 3d 606, 610, 34 USPQ2d 1786, 1789 (Fed. Cir. 1995). Lastly, it is noted that petitioner did not provide the USPTO with a change of correspondence address until the filing of this petition. Thus, petitioner would not have received the Maintenance Fee Reminder, if such was mailed, due to petitioner's failure to update his

address with the USPTO. The lack of notification or belated notification of a change in correspondence address to the USPTO does not constitute unavoidable delay. See MPEP 711.03(c)(ii)(C)(2).

Lastly, the fact that a patentee may have been preoccupied with other matters does not excuse the delay in payment of a maintenance fee. A showing of diligence is essential to support a finding of unavoidable delay. There is no "sliding scale" based upon the priority given to maintaining this patent in force, or more diligently seeking reinstatement, *vis-à-vis* other matters. The issue is solely whether the maintenance, or reinstatement, of the patent at issue was conducted with the care or diligence that is generally used and observed by prudent and careful persons in relation to their most important business. See Smith v. Mossinghoff, 217 U.S. App. D.C. 27, 671 F.2d 533 (D.C. Cir. 1982) (holding that where applicant's attorney missed deadline because he was preoccupied with other legal matters and was in the process of moving his residence, applicant did not establish unavoidable delay).

As the record discloses that petitioner did not take reasonable steps to ensure timely payment of the maintenance fees, 35 U.S.C. 41(c) and 37 CFR 1.378(b)(3) preclude acceptance of the payment of the maintenance fee on the basis of unavoidable delay. The showing of record is inadequate to establish unavoidable delay, and therefore, the petition under 37 CFR 1.378(b) is **dismissed**.

Petitioner should note that if this petition under 37 CFR 1.378(b) is not renewed, or if renewed and not granted, then the maintenance fees and post-expiration surcharge<sup>2</sup> are refundable. The \$400.00 petition fee for seeking further reconsideration under 37 CFR 1.378(e) is not refundable.

Any request for refund should be in writing to the following address:

Mail Stop 16  
Director of the US Patent and Trademark Office  
PO Box 1450  
Alexandria, VA 22313-1450

A copy of this decision should accompany petitioner's request.

The application file is being forwarded to Files Repository.

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<sup>2</sup> The Office finance records indicate that petitioner has submitted the following fees totaling \$2,215.00 (\$1,950.00 on July 16, 2012, \$65.00 on July 2, 2012, and \$200.00 on June 22, 2012).

Inquiries concerning this matter may be directed to the undersigned at (571) 272-3211.

/Christina Tartera Donnell/

Christina Tartera Donnell  
Senior Petitions Attorney  
Office of Petitions